

A key GOP senator's party-bucking support of tax increases to stave off further national defense budget cuts is being met with a lukewarm response on both sides of Pennsylvania Avenue.

Sen. Lindsey Graham, a pro-military South Carolina Republican, sent ripples across Washington by telling the New York Times he has "crossed the Rubicon" on his party's long-held opposition to higher federal taxes.

The Defense Department is planning a \$450 billion reduction to proposed spending over the next decade, and could be forced to take out close to \$500 billion more over the same span if Congress fails to pass a \$1.2 trillion debt-paring deal this year.

Graham and other hawkish congressional Republicans--joined by President Obama's Pentagon leaders--worry new cuts will hurt America's military might.

Some insiders wondered whether the well-respected Graham, by being the first highly visible pro-military congressional Republicans to support a taxes-for-defense spending swap, would give other Republicans cover to speak out.

Spend a few hours traversing the Capitol complex and you will find Graham has some work to do.

"We don't need to be raising taxes for defense or for any other reason," says GOP Rep. John Campbell of California
, a House Budget Committee member.

It's unlikely Graham will win over many conservative House GOP budget and debt hawks. Many are laser-focused on slashing federal spending and overhauling the tax code.

"What we need is to reform the tax system," says Campbell. "We Republicans know that we all have to get at federal spending. Yet, we treat defense spending differently. There is a lot of waste in the Pentagon budget."

Then **Campbell** broke with the hawkish wing of his party that holds all Pentagon spending sacrosanct, and swelling increasing military budgets.

"I think we can reduce defense spending and adequately defend the country," Campbell t
old U.S. News & World Report.

Asked whether he would consider a plan that would use tax revenues to pay for Pentagon spending at current or higher levels, Rep. Tom Price, a Georgia Republican, also made clear he would oppose it.

"We have several measures in our budget so that we could balance the budget in that manner," Price says, referring to the budget plan penned by Budget Committee Chairman Paul Ryan of Wisconsin, a possible vice presidential candidate and darling of GOP spending hawks.

Ryan received national acclaim earlier this year when he unveiled a budget plan that would cut federal spending by over \$5 trillion. Ryan's budget would seek to dramatically reduce taxes while increasing defense spending.

When asked about his boss's response to Graham's comments, an aide to GOP House Armed Services Committee Chairman Howard "Buck" McKeon of California, passed along a speech McKeon delivered last week to a defense industry group. In that speech, McKeon panned Nevada Democrat Harry Reid, the Senate majority leader, who says any comprehensive debt-paring plan taken up by his chamber must include tax hikes.

"I sincerely doubt that [new revenue] would be spent to prevent more cuts to the military," McKeon said, underscoring the challenge Reid and Graham will have in convincing Republicans to support tax increases that would allow Washington to avoid further military cuts. The Armed Services Committee chair's comments also apply to Graham's new stance, the aide says.

The divide between Graham and House Republicans shows the many factions with very different beliefs that must come together and cobble together either legislation to avoid the \$500 billion in new defense cuts or a broader debt-reduction bill.

"People here are very far apart," says Sen. Joseph Lieberman, a Connecticut independent who caucuses with Senate Democrats. "I thanked [Graham] for what he said. I thought what he said was very sensible. ... I know he is planning to talk to other Republicans. But there's work to be done."

The bottom line, Lieberman told U.S. News, is "you're not going to get 60 votes you need in the Senate to add money back for defense without having a balanced source of revenue because Democrats, understandably, won't support a plan that just takes all the needed money out of [domestic programs]."

"Unless we have the guts in both political parties to take some political risks, it's just going to be idle talk," Lieberman says. "Republicans have to consider tax increases and Democrats have to consider spending cuts and entitlement reductions."

Asked Monday about Graham's shift, White House press secretary Jay Carney said the administration would not "cheer" individual Republican defections on tax hikes aimed at solely avoiding national defense cuts. Carney instead urged lawmakers to find a way to fashion a broader plan to achieve the \$1.2 trillion in needed savings.